

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

In the Matter of)	
Local telephone Competition and Broadband))	WC Docket No. 04-141
Reporting)	
)	CC Docket No. 99-301
Local Competition and Broadband Reporting))	

COMMENTS OF STAFF OF THE KANSAS CORPORATION COMMISSION

Staff of the Kansas Corporation Commission (KCC staff) submits the following Comments in response to the Notice of Proposed Rulemaking in these dockets, FCC 04-81 (FCC 04-81).

KCC staff supports the Federal Communications Commission's (FCC) desire to extend this data-gathering program for another five years. While considerable progress has been made in advancing local competition and the deployment of broadband services, many difficult and challenging issues lie ahead. With the deployment of advanced/broadband services becoming a national priority, policy makers and regulators will need timely, accurate and consistent information on which to base significant decisions. The same is true of competition in the local exchange carrier markets. Timely, accurate, and consistent information is essential if policy makers and regulators are to make sound decisions guiding the direction of this complex industry.

KCC Staff provides the following specific comments and suggestions concerning the proposed expansions:

With respect to the elimination or lowering of reporting thresholds, we agree with the FCC's observation that the current broadband reporting threshold of 250 lines/channels causes a significant underreporting of deployment, especially in rural areas. FCC 04-81, ¶ 10. KCC staff strongly suggests the elimination of this threshold. Availability of broadband services in the

rural area is the very area that continues to attract considerable public policy and legislative attention and is difficult to assess due to spotty or inconsistent deployment information. We do not believe that imposing this reporting requirement on smaller and emerging service providers would be burdensome or unduly intrusive.

With respect to a lower reporting threshold for local competition data, KCC staff believes the current threshold of 10,000 lines/channels, company wide, to be problematic in that most Kansas incumbent local exchange carriers fall far below this level, as do many of the Kansas competitive carriers. Public policy makers and regulators will need reliable and consistent data to guide and monitor their decisions when competition emerges in the rural markets. Lowering this reporting threshold, or preferably eliminating it, would help provide the needed information.

The revised Form 477 proposes an additional element of information: Estimated % of mass-market end-user premises. KCC Staff assumes that this information will be used to gauge or indicate a subscription or take rate for broadband service and agrees with that objective. However, we are concerned that relying on the preparer to develop the denominator for this information with such open ended instructions will yield inconsistent results and will likely make state to state or inter-company comparisons nearly meaningless. It might be possible to use external census data. This would be considerably less burdensome on the preparer, provide a consistent methodology, and yield reasonably accurate results.

A dimension of local competition not captured by the present or proposed reporting is the extent to which mobile wireless service is used as a substitute for landline service. We believe this substitution should be considered when evaluating competition in the local markets. We suggest that Part III of Form 477 be expanded to report the estimated percentage of wireless subscribers using their service as a replacement for traditional landline service. This most likely will require

an additional piece of data on service contracts or perhaps a statistically sound survey of the existing customer base. Also, for the reasons stated above, KCC staff suggests lowering or preferably eliminating the mobile subscriber reporting threshold in this part of Form 477.

The present approach of compiling broadband service information by zip codes is problematic. While the zip code approach appears to provide a reasonable high-level overview it does not provide the degree of granularity or specificity needed to make more detailed assessments at local levels. We strongly suggest compiling and reporting by cities or perhaps other social economic boundaries for which census or demographic data is available. Merging the broadband survey data with already gathered census or demographic data should provide more meaningful and useful information.

Respectfully Submitted,

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